

STATE RISK MANAGEMENT FUND  
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2004

	June-04					March-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																					
<i>Structured Growth</i>																					
Los Angeles Capital	82,070	2.8%	2.7%	2.95%	1.80%	82,961	2.8%	2.7%	-0.33%	55,708	2.9%	2.7%	9.14%	51,035	2.8%	2.7%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
<b>Total Structured Growth</b>	<b>82,070</b>	<b>2.8%</b>	<b>2.7%</b>	<b>2.95%</b>	<b>1.80%</b>	<b>82,961</b>	<b>2.8%</b>	<b>2.7%</b>	<b>-0.33%</b>	<b>55,708</b>	<b>2.9%</b>	<b>2.7%</b>	<b>9.14%</b>	<b>51,035</b>	<b>2.8%</b>	<b>2.7%</b>	<b>4.99%</b>	<b>17.58%</b>	<b>-1.88%</b>	<b>-21.24%</b>	<b>-6.07%</b>
<i>Russell 1000 Growth</i>				1.94%	1.25%				0.79%				10.41%				3.92%	17.88%	2.94%	-21.54%	-5.03%
<i>Structured Value</i>																					
LSV	83,129	2.8%	2.7%	2.33%	3.97%	82,077	2.7%	2.7%	6.26%	56,270	2.9%	2.7%	15.69%	48,714	2.6%	2.7%	3.78%	30.56%	-2.25%	8.84%	3.73%
<i>Russell 1000 Value</i>				0.88%	2.36%				3.03%				14.19%				2.06%	21.13%	-1.02%	-0.19%	1.05%
<i>Russell 1000 Enhanced Index</i>																					
LA Capital	170,465	5.7%	5.4%	-0.09%	2.15%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>Russell 1000</i>				1.40%	1.80%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																					
Westridge	165,870	5.6%	5.4%	-0.26%	1.95%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>S&amp;P 500</i>				1.72%	1.94%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>Index</i>																					
State Street	50,003			1.68%	1.92%	33,038			1.68%	252,139			12.15%	224,779			2.64%	19.01%	0.23%	-11.28%	-1.69%
Transition Account	-			N/A	N/A	333,859			N/A	N/A			N/A	N/A			N/A	N/A	N/A	N/A	N/A
<b>Total Index</b>	<b>50,003</b>	<b>1.7%</b>	<b>1.8%</b>	<b>1.68%</b>	<b>1.92%</b>	<b>366,897</b>	<b>12.2%</b>	<b>12.6%</b>	<b>1.68%</b>	<b>252,139</b>	<b>13.0%</b>	<b>12.6%</b>	<b>12.15%</b>	<b>224,779</b>	<b>12.2%</b>	<b>12.6%</b>	<b>2.64%</b>	<b>19.01%</b>	<b>0.23%</b>	<b>-11.28%</b>	<b>-1.69%</b>
<i>S&amp;P 500</i>				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>551,537</b>	<b>18.6%</b>	<b>18.0%</b>	<b>1.96%</b>	<b>2.28%</b>	<b>531,935</b>	<b>17.7%</b>	<b>18.0%</b>	<b>2.91%</b>	<b>364,117</b>	<b>18.8%</b>	<b>18.0%</b>	<b>12.21%</b>	<b>324,528</b>	<b>17.6%</b>	<b>18.0%</b>	<b>3.16%</b>	<b>21.46%</b>	<b>-0.48%</b>	<b>-9.33%</b>	<b>-1.90%</b>
<i>S&amp;P 500</i>				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
<b>SMALL CAP DOMESTIC EQUITY</b>																					
<i>Manager-of-Managers</i>																					
SEI	179,651	6.0%	6.0%	-0.91%	3.15%	181,011	6.0%	6.0%	6.66%	123,723	6.4%	6.0%	14.88%	107,733	5.8%	6.0%	9.54%	32.99%	0.09%	N/A	N/A
<i>Russell 2000 + 200bp</i>				0.98%	4.38%				6.78%				15.07%				9.60%	35.99%	0.36%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>179,651</b>	<b>6.0%</b>	<b>6.0%</b>	<b>-0.91%</b>	<b>3.15%</b>	<b>181,011</b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.66%</b>	<b>123,723</b>	<b>6.4%</b>	<b>6.0%</b>	<b>14.88%</b>	<b>107,733</b>	<b>5.8%</b>	<b>6.0%</b>	<b>9.54%</b>	<b>32.99%</b>	<b>0.09%</b>	<b>-3.49%</b>	<b>1.64%</b>
<i>Russell 2000</i>				0.47%	4.21%				6.26%				14.52%				9.07%	33.36%	-1.63%	-3.30%	0.97%
<b>CONVERTIBLES</b>																					
TCW	333,623	11.2%	11.0%	2.30%	2.54%	326,205	10.9%	11.0%	2.51%	220,946	11.4%	11.0%	9.99%	200,880	10.9%	11.0%	1.86%	17.50%	10.23%	-9.51%	3.90%
<i>First Boston Convertible Index</i>				-0.13%	1.19%				2.57%				8.54%				2.67%	14.16%	15.46%	-3.77%	5.29%
<b>DOMESTIC FIXED INCOME</b>																					
<i>Core Bond</i>																					
Western Asset	615,159	20.7%	20.0%	-1.94%	1.00%	925,058	30.9%	30.0%	2.96%	582,810	30.1%	30.0%	1.61%	571,276	30.9%	30.0%	-0.17%	2.42%	12.77%	11.23%	8.12%
<i>Lehman Aggregate</i>				-2.44%	0.57%				2.66%				0.32%				-0.14%	0.32%	10.39%	10.07%	7.54%
<i>Index</i>																					
Bank of ND	797,778	26.9%	30.0%	-2.47%	0.34%	509,018	17.0%	18.0%	3.01%	312,310	16.1%	18.0%	0.07%	312,510	16.9%	18.0%	-0.46%	0.07%	13.26%	10.87%	7.78%
<i>Lehman Intermediate Gov/Credit (1)</i>				-2.52%	0.30%				3.08%				-0.03%				-0.50%	-0.05%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>																					
Strong	341,353	11.5%	10.0%	-3.47%	0.55%	375,111	12.5%	12.0%	3.30%	241,245	12.5%	12.0%	1.46%	239,482	13.0%	12.0%	0.02%	1.18%	17.91%	N/A	N/A
<i>Lehman US Credit BAA</i>				-2.86%	1.19%				3.41%				1.22%				0.27%	1.96%	18.33%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,754,290</b>	<b>59.1%</b>	<b>60.0%</b>	<b>-2.51%</b>	<b>0.61%</b>	<b>1,809,187</b>	<b>60.4%</b>	<b>60.0%</b>	<b>3.05%</b>	<b>1,136,364</b>	<b>58.7%</b>	<b>60.0%</b>	<b>1.15%</b>	<b>1,123,268</b>	<b>60.8%</b>	<b>60.0%</b>	<b>-0.21%</b>	<b>0.79%</b>	<b>13.18%</b>	<b>10.80%</b>	<b>7.81%</b>
<i>Lehman Gov/Credit</i>				-3.17%	0.41%				3.08%				-0.03%				-0.50%	-0.72%	13.14%	10.82%	7.83%
<b>CASH EQUIVALENTS</b>																					
Bank of ND	151,110	5.1%	5.0%	0.31%	0.12%	148,730	5.0%	5.0%	0.29%	91,198	4.7%	5.0%	0.29%	92,010	5.0%	5.0%	0.30%	1.20%	1.57%	3.26%	4.15%
<i>90 Day T-Bill</i>				0.24%	0.07%				0.24%				0.26%				0.25%	0.98%	1.52%	3.33%	4.08%
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>2,970,211</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.89%</b>	<b>1.30%</b>	<b>2,997,068</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.96%</b>	<b>1,936,348</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.78%</b>	<b>1,848,420</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.09%</b>	<b>8.09%</b>	<b>8.86%</b>	<b>2.05%</b>	<b>2.58%</b>
<i>POLICY TARGET BENCHMARK</i>				-1.57%	0.98%				2.83%				3.92%				1.22%	6.46%	8.72%	3.08%	3.77%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.